

 YUKON ENERGY Goods & Services Guidelines GS-003	DEPARTMENT:		INQUIRIES TO:	TOPIC:	
	All		Corporate Services	Purchasing Agreements Guideline	
	ISSUED:		REVIEW DATE:		APPROVED BY:
	March 2006		February 2009		_____ Director, Corporate Services

1.00 Purpose

- 1.01 To define and establish parameters for the use of various purchasing agreements for consistent application and due process. Such guidelines will ensure standards are established that will be applied to the daily processing and preparation of the various purchasing agreements.
- 1.02 Corporate Services can provide advice on the procedures to follow and the purchasing agreement to use depending upon the particular circumstance.
- 1.03 Corporate Services issues all contracts, purchase orders for non-stock items and standing agreements to ensure that all bidding and mandatory elements of the purchase have been completed correctly and within established signing authorities.
- 1.04 All purchasing agreements will be executed in a confidential and timely manner with all legal, safety and risk management issues addressed.

2.00 Minor Works Contracts

- 2.01 Minor Works Contracts are used primarily for service and construction requirements of a minor financial value for the corporation. Yukon Energy considers minor works to be purchases for a financial value not to exceed \$250,000.00.

3.00 Construction Contracts

- 3.01 Construction Contracts are used primarily for work to build, repair, renovate, restore, maintain or demolish a structure and includes the hiring of equipment and services necessary for that work or when performance bonding/protection is required. Any purchase requisition that has a total estimated financial value greater than \$250,000.00 shall be reviewed as to whether a bid security is required.

4.00 Consulting Contracts

- 4.01 Consulting Contracts are to be used to secure professional and consulting services. Usually, these consulting services are for 'soft' services such as audits, managerial reviews, operational reviews, engineering, architectural and other services which are more conceptual and theoretical in nature.
- 4.02 Consulting Contracts specify the specialty in which the consultant is to provide services, and details carefully the obligation of the consultant. Consulting Contracts shall specify

the nature of the work/service, a list of deliverables, timeframes/milestones, confidentiality, name of project manager and information on invoice processing, etc.

- 4.03 Consulting Contracts shall comply with Yukon Energy's Contracts for Service Guideline (GS-006).

5.00 Purchase Orders

- 5.01 Purchase Orders are used for the purchase of goods, equipment, materials or services primarily with a financial value greater than \$5,000.00.

- 5.02 Purchase Orders shall comply with Yukon Energy's Purchase Order Guideline (GS-011).

6.00 Local Purchase Orders (LPO's)

- 6.01 Local Purchase Orders (LPO's) are used for the purchase of local goods, equipment, materials or services with a financial value not to exceed \$5,000.00.

- 6.02 Local Purchase Orders allows end-users, owner's designate or authorized field personnel to purchase small value items or services and expedite the acquisition of the requirements and needs of these individuals. There is no need to obtain competitive bids but it is expected that the issuer will obtain the best value available in the area.

- 6.03 Local Purchase Orders shall comply with Yukon Energy's Local Purchase Order Guideline (GS-015).

7.00 Standing Agreements

- 7.01 Standing Agreements are used for the purchase of repetitively purchased, lower dollar value goods, equipment, materials or services during a specified period.

- 7.02 Standing Agreements shall comply with Yukon Energy's Standing Agreements Guideline (GS-012).

8.00 Corporate Purchasing Cards

- 8.01 Corporate Purchasing Cards are used as a convenient cost efficient method for the purchase of goods, equipment, materials or services with a financial value not to exceed \$5,000.00.

- 8.02 Corporate Purchasing Cards shall comply with Yukon Energy's Corporate Purchasing Card Guideline (GS-014).